

General Assembly

Substitute Bill No. 1

January Session, 2007

_____SB00001APP___052507_____

AN ACT CONCERNING THE HEALTHFIRST CONNECTICUT INITIATIVE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 17b-28e of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective July 1, 2007*):
- 3 (a) Not later than September 30, 2002, the Commissioner of Social
- 4 Services shall submit an amendment to the Medicaid state plan to
- 5 implement the provisions of public act 02-1 of the May 9 special
- 6 session* concerning optional services under the Medicaid program.
- 7 Said state plan amendment shall supersede any regulations of
- 8 Connecticut state agencies concerning such optional services.
- 9 (b) The Commissioner of Social Services shall amend the Medicaid
- 10 state plan to include foreign language interpreter services provided to
- any beneficiary with limited English proficiency as a covered service
- 12 <u>under the Medicaid program.</u>
- 13 Sec. 2. Section 17b-261 of the general statutes is repealed and the
- 14 following is substituted in lieu thereof (*Effective July 1, 2007*):
- 15 (a) Medical assistance shall be provided for any otherwise eligible
- 16 person whose income, including any available support from legally
- 17 liable relatives and the income of the person's spouse or dependent

18 child, is not more than one hundred forty-three per cent, pending 19 approval of a federal waiver applied for pursuant to subsection (d) of 20 this section, of the benefit amount paid to a person with no income 21 under the temporary family assistance program in the appropriate 22 region of residence and if such person is an institutionalized 23 individual as defined in Section 1917(c) of the Social Security Act, 42 24 USC 1396p(c), and has not made an assignment or transfer or other 25 disposition of property for less than fair market value for the purpose 26 of establishing eligibility for benefits or assistance under this section. 27 Any such disposition shall be treated in accordance with Section 28 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of 29 property made on behalf of an applicant or recipient or the spouse of 30 an applicant or recipient by a guardian, conservator, person 31 authorized to make such disposition pursuant to a power of attorney 32 or other person so authorized by law shall be attributed to such 33 applicant, recipient or spouse. A disposition of property ordered by a 34 court shall be evaluated in accordance with the standards applied to 35 any other such disposition for the purpose of determining eligibility. 36 The commissioner shall establish the standards for eligibility for 37 medical assistance at one hundred forty-three per cent of the benefit 38 amount paid to a family unit of equal size with no income under the 39 temporary family assistance program in the appropriate region of 40 residence. [, pending federal approval, except that the] Except as 41 provided in section 17b-277, as amended by this act, the medical 42 assistance program shall provide coverage to persons under the age of 43 nineteen [up to one hundred eighty-five per cent of the federal poverty 44 level without an asset limit. Said medical assistance program shall also 45 provide coverage to persons under the age of nineteen] and their 46 parents and needy caretaker relatives, who qualify for coverage under 47 Section 1931 of the Social Security Act, with family income up to one 48 hundred [fifty] eighty-five per cent of the federal poverty level without 49 an asset limit. [, upon the request of such a person or upon a 50 redetermination of eligibility.] Such levels shall be based on the 51 regional differences in such benefit amount, if applicable, unless such 52 levels based on regional differences are not in conformance with 53 federal law. Any income in excess of the applicable amounts shall be 54 applied as may be required by said federal law, and assistance shall be 55 granted for the balance of the cost of authorized medical assistance. All 56 contracts entered into on and after July 1, 1997, pursuant to this section 57 shall include provisions for collaboration of managed care 58 organizations with the Nurturing Families Network established 59 pursuant to section 17a-56. The Commissioner of Social Services shall 60 provide applicants for assistance under this section, at the time of 61 application, with a written statement advising them of (1) the effect of an assignment or transfer or other disposition of property on eligibility 62 63 for benefits or assistance, (2) the effect that having income that exceeds 64 the limits prescribed in this subsection will have with respect to 65 program eligibility, (3) the availability of HUSKY Plan, Part B health insurance benefits for persons who are not eligible for assistance 66 67 pursuant to this subsection or who are subsequently determined 68 ineligible for assistance pursuant to this subsection, and [(2)] (4) the 69 availability of, and eligibility for, services provided by the Nurturing 70 Families Network established pursuant to section 17a-56.

- (b) For the purposes of the Medicaid program, the Commissioner of Social Services shall consider parental income and resources as available to a child under eighteen years of age who is living with his or her parents and is blind or disabled for purposes of the Medicaid program, or to any other child under twenty-one years of age who is living with his or her parents.
- (c) For the purposes of determining eligibility for the Medicaid program, an available asset is one that is actually available to the applicant or one that the applicant has the legal right, authority or power to obtain or to have applied for the applicant's general or medical support. If the terms of a trust provide for the support of an applicant, the refusal of a trustee to make a distribution from the trust does not render the trust an unavailable asset. Notwithstanding the provisions of this subsection, the availability of funds in a trust or similar instrument funded in whole or in part by the applicant or the applicant's spouse shall be determined pursuant to the Omnibus

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- 87 Budget Reconciliation Act of 1993, 42 USC 1396p. The provisions of 88 this subsection shall not apply to special needs trust, as defined in 42
- 89 USC 1396p(d)(4)(A).

- 90 (d) The transfer of an asset in exchange for other valuable 91 consideration shall be allowable to the extent the value of the other 92 valuable consideration is equal to or greater than the value of the asset 93 transferred.
 - (e) The Commissioner of Social Services shall seek a waiver from federal law to permit federal financial participation for Medicaid expenditures for families with incomes of one hundred forty-three per cent of the temporary family assistance program payment standard.
 - (f) To the extent permitted by federal law, Medicaid eligibility shall be extended for one year to a family that becomes ineligible for medical assistance under Section 1931 of the Social Security Act due to income from employment by one of its members who is a caretaker relative or due to receipt of child support income. A family receiving extended benefits on July 1, 2005, shall receive the balance of such extended benefits, provided no such family shall receive more than twelve additional months of such benefits.
 - (g) An institutionalized spouse applying for Medicaid and having a spouse living in the community shall be required, to the maximum extent permitted by law, to divert income to such community spouse in order to raise the community spouse's income to the level of the minimum monthly needs allowance, as described in Section 1924 of the Social Security Act. Such diversion of income shall occur before the community spouse is allowed to retain assets in excess of the community spouse protected amount described in Section 1924 of the Social Security Act. The Commissioner of Social Services, pursuant to section 17b-10, may implement the provisions of this subsection while in the process of adopting regulations, provided the commissioner prints notice of intent to adopt the regulations in the Connecticut Law Journal within twenty days of adopting such policy. Such policy shall

be valid until the time final regulations are effective.

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I(h) The Commissioner of Social Services shall, to the extent permitted by federal law, or, pursuant to an approved waiver of federal law submitted by the commissioner, in accordance with the provisions of section 17b-8, impose the following cost-sharing requirements under the HUSKY Plan, on all parent and needy caretaker relatives with incomes exceeding one hundred per cent of the federal poverty level: (1) A twenty-five-dollar premium per month per parent or needy caretaker relative; and (2) a copayment of one dollar per visit for outpatient medical services delivered by an enrolled Medicaid or HUSKY Plan provider. The commissioner may implement policies and procedures necessary to administer the provisions of this subsection while in the process of adopting such policies and procedures as regulations, provided the commissioner publishes notice of the intent to adopt regulations in the Connecticut Law Journal not later than twenty days after implementation. Policies and procedures implemented pursuant to this subsection shall be valid until the time final regulations are adopted.]

[(i)] (h) Medical assistance shall be provided, in accordance with the provisions of subsection (e) of section 17a-6, to any child under the supervision of the Commissioner of Children and Families who is not receiving Medicaid benefits, has not yet qualified for Medicaid benefits or is otherwise ineligible for such benefits because of institutional status. To the extent practicable, the Commissioner of Children and Families shall apply for, or assist such child in qualifying for, the Medicaid program.

[(j)] (i) The Commissioner of Social Services shall provide Early and Periodic Screening, Diagnostic and Treatment program services, as required and defined as of December 31, 2005, by 42 USC 1396a(a)(43), 42 USC 1396d(r) and 42 USC 1396d(a)(4)(B) and applicable federal regulations, to all persons who are under the age of twenty-one and otherwise eligible for medical assistance under this section.

- 151 (i) Notwithstanding the provisions of this section, the Commissioner 152 of Social Services, pursuant to 42 USC 1396a(r)(2), shall file an amendment to the Medicaid state plan that allows the commissioner, 153 154 when making Medicaid income eligibility determinations, to establish 155 and maintain the level of eligibility for persons who are aged, blind or 156 disabled at the same income level used to determine eligibility for 157 parents and needy caretaker relatives under the HUSKY Plan, Part A, by establishing a special income disregard that is applicable only to 158 159 aged, blind or disabled individuals and only under the Medicaid program. 160
- Sec. 3. Section 17b-297 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):
- 163 (a) The [commissioner] Commissioner of Social Services, in 164 consultation with the Children's Health Council, the Medicaid Managed Care Council and the 2-1-1 Infoline [of Connecticut] 165 program, shall develop mechanisms [for outreach for] to increase 166 167 outreach and maximize enrollment of eligible children and adults in the HUSKY Plan, Part A [and] or Part B. [, including, but not limited 168 169 to, development of mail-in applications and appropriate outreach 170 materials through the Department of Revenue Services, the Labor 171 Department, the Department of Social Services, the Department of 172 Public Health, the Department of Children and Families and the Office 173 of Protection and Advocacy for Persons with Disabilities.] Such 174 mechanisms shall include, but not be limited to, the development and implementation of a mail-in and on-line application systems. In 175 176 addition, the Commissioner of Social Services shall develop 177 appropriate outreach materials and in collaboration with the Departments of Public Health, Children and Families, Mental Health 178 179 and Addiction Services, Mental Retardation, Education, Revenue 180 Services and Motor Vehicles, the Labor Department and the Office of Protection and Advocacy for Persons with Disabilities and, as 181 appropriate, disseminate such outreach materials. All outreach 182 183 materials shall be approved by the commissioner pursuant to Subtitle I 184 of Public Law 105-33.

- **[**(b) The commissioner shall include in such outreach efforts information on the Medicaid program for the purpose of maximizing 187 enrollment of eligible children and the use of federal funds.]
- 188 [(c)] (b) The commissioner shall, within available appropriations, 189 contract with severe need schools and community-based organizations for purposes of public education, outreach and recruitment of eligible 190 191 children and adults, including the distribution of applications and 192 information regarding enrollment in the HUSKY Plan, Part A and Part 193 B. In awarding such contracts, the commissioner shall consider the 194 marketing, outreach and recruitment efforts of organizations. For the 195 purposes of this subsection, (1) "community-based organizations" shall include, but not be limited to, day care centers, schools, school-based 196 health clinics, community-based diagnostic and treatment centers and 197 hospitals, and (2) "severe need school" means a school in which forty 198 199 per cent or more of the lunches served are served to students who are 200 eligible for free or reduced price lunches.
- 201 [(d) All outreach materials shall be approved by the commissioner 202 pursuant to Subtitle J of Public Law 105-33.]
 - [(e)] (c) Not later than January 1, [1999] 2008, and annually thereafter, the commissioner shall [submit a] report, in accordance with section 11-4a, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to human services, public health and appropriations and the budgets of state agencies on the implementation of and the results of the [community-based outreach program] outreach efforts specified in subsections (a) [to (c), inclusive,] and (b) of this section.
- 211 Sec. 4. Section 17b-297b of the general statutes is repealed and the 212 following is substituted in lieu thereof (*Effective July 1, 2007*):
 - (a) Each local or regional board of education or similar body governing a nonpublic school or schools shall, at the beginning of each school year, provide to the parent or guardian of any pupil attending such school outreach materials concerning eligibility for health

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- 217 insurance coverage under the HUSKY Plan, Part A and Part B. The
- 218 Department of Social Services shall develop such outreach materials in
- 219 accordance with the provisions of sections 17b-297, as amended by this
- 220 act, and shall disseminate such outreach materials to schools.
- [(a)] (b) To the extent permitted by federal law, the Commissioners
- of Social Services and Education shall jointly establish procedures for
- 223 the sharing of information contained in applications for free and
- 224 reduced price meals under the National School Lunch Program for the
- 225 purpose of determining whether children participating in said
- 226 program are eligible for coverage under the HUSKY Plan, Part A and
- 227 Part B. The Commissioner of Social Services shall take all actions
- 228 necessary to ensure that children identified as eligible for the HUSKY
- 229 Plan are able to enroll in said plan.
- [(b)] (c) The Commissioner of Education shall establish procedures
- whereby an individual may apply for the HUSKY Plan, Part A or Part
- 232 B, at the same time such individual applies for the National School
- 233 Lunch Program.
- Sec. 5. (NEW) (Effective July 1, 2007) (a) The Department of Social
- 235 Services, in consultation with the Department of Public Health, shall
- establish a joint program between public and private entities for the
- 237 establishment and implementation of a multiyear, state-wide public
- 238 information campaign for the purpose of promoting enrollment in the
- 239 HUSKY Plan, Parts A and B of all persons who may be eligible for such
- 240 health insurance benefits.
- 241 (b) Notwithstanding the provisions of sections 4-212 to 4-219,
- inclusive, of the general statutes, the Department of Social Services, in
- 243 consultation with the Department of Public Health, shall solicit bids
- 244 from private organizations for the design and operation of the
- information campaign. Such bids shall be solicited by sending notice to
- 246 prospective organizations and by posting notice on public bulletin
- boards within the departments. Each bid shall be opened publicly at
- 248 the time stated in the notice soliciting such bid. Acceptance of a bid by

- the departments shall be based on standard specifications adopted by
- 250 the departments. The Department of Social Services may accept gifts,
- donations, bequests, grants or funds from public or private agencies
- 252 for any or all of the purposes of this section.
- 253 (c) On January 1, 2008, and annually thereafter, the Commissioner
- of Social Services shall report, in accordance with section 11-4a of the
- 255 general statutes, to the joint standing committees of the General
- 256 Assembly having cognizance of matters relating to human services,
- 257 public health and appropriations and the budgets of state agencies on
- 258 the status of the program established pursuant to this section.
- Sec. 6. Section 17b-289 of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective July 1, 2007*):
- 261 (a) Sections 17b-289 to 17b-303, inclusive, and section 16 of public
- 262 act 97-1 of the October 29 special session* shall be known as the
- 263 "HUSKY and HUSKY Plus Act".
- 264 (b) Children, caretaker relatives and pregnant women receiving
- assistance under section 17b-261 or 17b-277 shall be participants in the
- 266 HUSKY Plan, Part A and children receiving assistance under sections
- 267 17b-289 to 17b-303, inclusive, and section 16 of public act 97-1 of the
- 268 October 29 special session* shall be participants in the HUSKY Plan,
- 269 Part B. For purposes of marketing and outreach and enrollment of
- 270 persons eligible for assistance, both parts shall be known as the
- 271 HUSKY Plan.
- Sec. 7. Section 17b-292 of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective July 1, 2007*):
- (a) A child who resides in a household with a family income which
- exceeds one hundred eighty-five per cent of the federal poverty level
- and does not exceed three hundred per cent of the federal poverty
- 277 level may be eligible for subsidized benefits under the HUSKY Plan,
- 278 Part B.

- 279 (b) A child who resides in a household with a family income over 280 three hundred per cent of the federal poverty level may be eligible for unsubsidized benefits under the HUSKY Plan, Part B.
 - (c) Whenever a court or family support magistrate orders a noncustodial parent to provide health insurance for a child, such parent may provide for coverage under the HUSKY Plan, Part B.
- 285 (d) A child who has been determined to be eligible for benefits 286 under either the HUSKY Plan, Part A or Part B shall remain eligible for 287 such plan for a period of twelve months from such child's 288 determination of eligibility unless the child attains the age of nineteen 289 or is no longer a resident of the state. An adult who has been 290 determined to be eligible for benefits under the HUSKY Plan, Part A 291 shall remain eligible for such plan for a period of twelve months from 292 such adult's determination of eligibility unless the adult is no longer a 293 resident of the state. During the twelve-month period following the 294 date that an adult or child is determined eligible for the HUSKY Plan, 295 Part A or Part B, the adult or family of such child shall comply with 296 federal requirements concerning the reporting of information to the 297 department, including, but not limited to, change of address 298 information.
- 299 [(d)] (e) To the extent allowed under federal law, the commissioner 300 shall not pay for services or durable medical equipment under the 301 HUSKY Plan, Part B if the enrollee has other insurance coverage for 302 the services or such equipment.
 - [(e)] (f) A newborn child who otherwise meets the eligibility criteria for the HUSKY Plan, Part B shall be eligible for benefits retroactive to his date of birth, provided an application is filed on behalf of the child within thirty days of such date.
 - [(f)] (g) The commissioner shall implement presumptive eligibility for children applying for Medicaid. Such presumptive eligibility determinations shall be in accordance with applicable federal law and regulations. The commissioner shall adopt regulations, in accordance

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311 with chapter 54, to establish standards and procedures for the 312 designation of organizations as qualified entities to grant presumptive 313 eligibility. Qualified entities shall ensure that, at the time a 314 presumptive eligibility determination is made, a completed application 315 for Medicaid is submitted to the department for a full eligibility 316 determination. In establishing such standards and procedures, the 317 commissioner shall ensure the representation of state-wide and local 318 organizations that provide services to children of all ages in each 319 region of the state.

[(g)] (h) The commissioner shall enter into a contract with an entity to be a single point of entry servicer for applicants and enrollees under the HUSKY Plan, Part A and Part B. [The servicer] The commissioner, in consultation with the servicer, shall establish a centralized unit to be responsible for processing all applications for assistance under to be HUSKY Plan, Part A and Part B. The department, through its contract with the servicer, shall ensure that a child who is determined to be eligible for benefits under the HUSKY Plan, Part A, or the HUSKY Plan, Part B has uninterrupted health insurance coverage for as long as the parent or guardian elects to enroll or re-enroll such child in the HUSKY Plan, Part A or Part B. The commissioner, in consultation with the servicer, and in accordance with the provisions of section 17b-297, as amended by this act, shall jointly market both Part A and Part B together as the HUSKY Plan [. Such servicer] and shall develop and implement public information and outreach activities with community programs. Such servicer shall electronically transmit data with respect to enrollment and disenrollment in the HUSKY Plan, Part A and Part B to the commissioner.

[(h)] (i) Upon the expiration of any contractual provisions entered into pursuant to subsection [(g)] (h) of this section, the commissioner shall develop a new contract for single point of entry services and managed care enrollment brokerage services. The commissioner may enter into one or more contractual arrangements for such services for a contract period not to exceed seven years. Such contracts shall include performance measures, including, but not limited to, specified time

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limits for the processing of applications, parameters setting forth the requirements for a completed and reviewable application and the percentage of applications forwarded to the department in a complete and timely fashion. Such contracts shall also include a process for identifying and correcting noncompliance with established performance measures, including sanctions applicable for instances of continued noncompliance with performance measures.

[(i)] (j) The single point of entry servicer shall send [an application] all applications and supporting documents to the commissioner for determination of eligibility. [of a child who resides in a household with a family income of one hundred eighty-five per cent or less of the federal poverty level.] The servicer shall enroll eligible beneficiaries in the applicant's choice of managed care plan. Upon enrollment in a managed care plan, an eligible HUSKY Plan Part A or Part B beneficiary shall remain enrolled in such managed care plan for twelve months from the date of such enrollment unless (1) an eligible beneficiary demonstrates good cause to the satisfaction of the commissioner of the need to enroll in a different managed care plan, or (2) the beneficiary no longer meets program eligibility requirements.

[(j)] (k) Not [more than twelve] <u>later than ten</u> months after the determination of eligibility for benefits under the HUSKY Plan, Part A and Part B and annually thereafter, the commissioner or the servicer, as the case may be, shall determine if the child continues to be eligible for the plan. The commissioner or the servicer shall mail <u>or</u>, <u>upon request of a participant</u>, <u>electronically transmit</u> an application form to each participant in the plan for the purposes of obtaining information to make a determination on <u>continued</u> eligibility <u>beyond the twelve months of initial eligibility</u>. To the extent permitted by federal law, in determining eligibility for benefits under the HUSKY Plan, Part A or Part B with respect to family income, the commissioner or the servicer shall rely upon information provided in such form by the participant unless the commissioner or the servicer has reason to believe that such information is inaccurate or incomplete. The Department of Social Services shall annually review a random sample of cases to confirm

- that, based on the statistical sample, relying on such information is not resulting in ineligible clients receiving benefits under HUSKY Plan Part A or Part B. The determination of eligibility shall be coordinated with health plan open enrollment periods.
 - [(k)] (1) The commissioner shall implement the HUSKY Plan, Part B while in the process of adopting necessary policies and procedures in regulation form in accordance with the provisions of section 17b-10.
- 386 [(l)] (m) The commissioner shall adopt regulations, in accordance 387 with chapter 54, to establish residency requirements and income 388 eligibility for participation in the HUSKY Plan, Part B and procedures 389 for a simplified mail-in application process. Notwithstanding the 390 provisions of section 17b-257b, such regulations shall provide that any 391 child adopted from another country by an individual who is a citizen 392 of the United States and a resident of this state shall be eligible for 393 benefits under the HUSKY Plan, Part B upon arrival in this state.
- Sec. 8. Section 17b-192 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):
 - (a) The Commissioner of Social Services shall implement a state medical assistance component of the state-administered general assistance program for persons with income that does not exceed the federal poverty level and who are ineligible for Medicaid. [Not later than October 1, 2003, each] Earned monthly gross income of up to one hundred fifty dollars shall be disregarded. Unearned income shall not be disregarded. No person who has family assets exceeding one thousand dollars shall be eligible. No person shall be eligible for assistance under this section if such person made, during the three months prior to the month of application, an assignment or transfer or other disposition of property for less than fair market value. The number of months of ineligibility due to such disposition shall be determined by dividing the fair market value of such property, less any consideration received in exchange for its disposition, by five hundred dollars. Such period of ineligibility shall commence in the

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month in which the person is otherwise eligible for benefits. Any assignment, transfer or other disposition of property, on the part of the transferor, shall be presumed to have been made for the purpose of establishing eligibility for benefits or services unless such person provides convincing evidence to establish that the transaction was exclusively for some other purpose.

(b) Each person eligible for state-administered general assistance shall be entitled to receive medical care through a federally qualified health center or other primary care provider as determined by the commissioner. The Commissioner of Social Services shall determine appropriate service areas and shall, in the commissioner's discretion, contract with community health centers, other similar clinics, and other primary care providers, if necessary, to assure access to primary care services for recipients who live farther than a reasonable distance from a federally qualified health center. The commissioner shall assign and enroll eligible persons in federally qualified health centers and with any other providers contracted for the program because of access needs. [Not later than October 1, 2003, each] Each person eligible for state-administered general assistance shall be entitled to receive hospital services. Medical services under the program shall be limited to the services provided by a federally qualified health center, hospital, or other provider contracted for the program at the commissioner's discretion because of access needs. The commissioner shall ensure that ancillary services and specialty services are provided by a federally qualified health center, hospital, or other providers contracted for the program at the commissioner's discretion. Ancillary services include, but are not limited to, radiology, laboratory, and other diagnostic services not available from a recipient's assigned primary-care provider, and durable medical equipment. Specialty services are services provided by a physician with a specialty that are not included in ancillary services. In no event shall ancillary or specialty services provided under the program exceed such services provided under the state-administered general assistance program on July 1, 2003. [Eligibility criteria concerning income shall be the same as the

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medically needy component of the Medicaid program, except that earned monthly gross income of up to one hundred fifty dollars shall be disregarded. Unearned income shall not be disregarded. No person who has family assets exceeding one thousand dollars shall be eligible. No person eligible for Medicaid shall be eligible to receive medical care through the state-administered general assistance program. No person shall be eligible for assistance under this section if such person made, during the three months prior to the month of application, an assignment or transfer or other disposition of property for less than fair market value. The number of months of ineligibility due to such disposition shall be determined by dividing the fair market value of such property, less any consideration received in exchange for its disposition, by five hundred dollars. Such period of ineligibility shall commence in the month in which the person is otherwise eligible for benefits. Any assignment, transfer or other disposition of property, on the part of the transferor, shall be presumed to have been made for the purpose of establishing eligibility for benefits or services unless such person provides convincing evidence to establish that the transaction was exclusively for some other purpose.]

- [(b) Recipients covered by a general assistance program operated by a town shall be assigned and enrolled in federally qualified health centers and with any other providers in the same manner as recipients of medical assistance under the state-administered general assistance program pursuant to subsection (a) of this section.]
- (c) [On and after October 1, 2003, pharmacy] Pharmacy services shall be provided to recipients of state-administered general assistance through the federally qualified health center to which they are assigned or through a pharmacy with which the health center contracts. [Prior to said date, pharmacy services shall be provided as provided under the Medicaid program.] Recipients who are assigned to a community health center or similar clinic or primary care provider other than a federally qualified health center or to a federally qualified health center that does not have a contract for pharmacy services shall receive pharmacy services at pharmacies designated by the

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commissioner. The Commissioner of Social Services or the managed care organization or other entity performing administrative functions for the program as permitted in subsection (d) of this section, shall require prior authorization for coverage of drugs for the treatment of erectile dysfunction. The commissioner or the managed care organization or other entity performing administrative functions for the program may limit or exclude coverage for drugs for the treatment of erectile dysfunction for persons who have been convicted of a sexual offense who are required to register with the Commissioner of Public Safety pursuant to chapter 969.

(d) The Commissioner of Social Services shall contract with federally qualified health centers or other primary care providers as necessary to provide medical services to eligible state-administered assistance recipients pursuant to this section. commissioner shall, within available appropriations, make payments to such centers based on their pro rata share of the cost of services provided or the number of clients served, or both. The Commissioner of Social Services shall, within available appropriations, make payments to other providers based on a methodology determined by the commissioner. The Commissioner of Social Services may reimburse for extraordinary medical services, provided such services are documented to the satisfaction of the commissioner. For purposes of this section, the commissioner may contract with a managed care organization or other entity to perform administrative functions, including a grievance process for recipients to access review of a denial of coverage for a specific medical service, and to operate the program in whole or in part. Provisions of a contract for medical services entered into by the commissioner pursuant to this section shall supersede any inconsistent provision in the regulations of Connecticut state agencies. A recipient who has exhausted the grievance process established through such contract and wishes to seek further review of the denial of coverage for a specific medical service may request a hearing in accordance with the provisions of section 17b-60.

(e) Each federally qualified health center participating in the

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- program shall [, within thirty days of August 20, 2003,] enroll in the federal Office of Pharmacy Affairs Section 340B drug discount program established pursuant to 42 USC 256b to provide pharmacy services to recipients at Federal Supply Schedule costs. Each such health center may establish an on-site pharmacy or contract with a commercial pharmacy to provide such pharmacy services.
 - (f) The Commissioner of Social Services shall, within available appropriations, make payments to hospitals for inpatient services based on their pro rata share of the cost of services provided or the number of clients served, or both. The Commissioner of Social Services shall, within available appropriations, make payments for any ancillary or specialty services provided to state-administered general assistance recipients under this section based on a methodology determined by the commissioner.
 - (g) On or before [March 1, 2004] <u>January 1, 2008</u>, the Commissioner of Social Services shall seek a waiver of federal law [under the Health Insurance Flexibility and Accountability demonstration initiative] for the purpose of extending health insurance coverage under Medicaid to persons qualifying for medical assistance under the state-administered general assistance program. The provisions of section 17b-8 shall apply to this section.
 - (h) The commissioner, pursuant to section 17b-10, may implement policies and procedures to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of the intent to adopt the regulation in the Connecticut Law Journal not later than twenty days after the date of implementation. Such policy shall be valid until the time final regulations are adopted.
- Sec. 9. Subsection (a) of section 17b-277 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2007):
- 544 (a) The Commissioner of Social Services shall provide, in accordance

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- with federal law and regulations, medical assistance under the Medicaid program to needy pregnant women [and children up to one year of age] whose families have an income [up to one hundred eightyfive] not exceeding three hundred per cent of the federal poverty level.
 - Sec. 10. (NEW) (Effective July 1, 2007) On or before January 1, 2008, the Commissioner of Social Services, shall seek a waiver under federal law under the Health Insurance Flexibility and Accountability demonstration proposal to provide health insurance coverage to pregnant women, who do not otherwise have creditable coverage, as defined in 42 USC 300gg(c), and with incomes above one hundred eighty-five per cent of the federal poverty level but not in excess of three hundred per cent of the federal poverty level. The waiver submitted by the commissioner shall specify that funding for such health insurance coverage shall be provided through a reallocation of unspent state children's health insurance plan funds.
- Sec. 11. Section 17b-282b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):
 - [(a) Not later than July 1, 2004, and prior to the implementation of a state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance, the Commissioner of Social Services shall amend the federal waiver approved pursuant to Section 1915(b) of the Social Security Act. Such waiver amendment shall be submitted to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies in accordance with the provisions of section 17b-8.
 - (b) Prior to the implementation of a state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance program, the Commissioner of Social Services shall review eliminating prior authorization requirements for basic and routine dental services. In the event the commissioner adopts regulations to eliminate such prior authorization requirements, the

commissioner may implement policies and procedures for the purposes of this subsection while in the process of adopting such regulations, provided the commissioner prints notice of intention to adopt the regulations in the Connecticut Law Journal not later than twenty days after implementing the policies and procedures.]

(a) The Commissioner of Social Services shall establish a fee schedule for dental services provided to individuals who are eligible for medical assistance under section 17b-261, as amended by this act, or section 17b-292, as amended by this act. The schedule shall provide for a fee for each dental service provided on or after July 1, 2007, except for an orthodontic service, that is equal to the seventieth percentile of normal and customary private provider fees, as defined by the National Dental Advisory Service Comprehensive Fee Report. The schedule shall provide for a fee for each orthodontic service, which may be less than the seventieth percentile of normal and customary private provider fees, as defined by the National Dental Advisory Service Comprehensive Fee Report.

(b) The Commissioner of Social Services shall evaluate whether the fee schedule established pursuant to subsection (a) of this section results in improved access to oral health care for medical assistance recipients under the age of nineteen, as measured by (1) the number of providers currently registered to provide dental services under the medical assistance program described in section 17b-261, (2) the number of medical assistance recipients under the age of nineteen currently receiving such services, (3) the increase in the number of providers registered to provide such services, (4) the increase in the number of medical assistance recipients under the age of nineteen receiving such services, (5) the number of new providers registered to provide such services, and (6) the number of medical assistance recipients under the age of nineteen receiving such services from newly registered providers. The commissioner shall submit a report of the evaluation, along with any recommendations, not later than December 31, 2009, to the joint standing committees of the General Assembly having cognizance of matters relating to human services and

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- 611 public health, in accordance with the provisions of section 11-4a.
- Sec. 12. (NEW) (Effective July 1, 2007) The Commissioner of Social
- 613 Services shall reimburse providers of medical services under the
- 614 medical assistance program, operated in accordance with section 17b-
- 615 261 of the general statutes, as amended by this act, at a rate that is
- equal to the rate paid for the provision of such services under the
- 617 Medicare program.
- Sec. 13. Section 19a-88 of the general statutes is amended by adding
- subsection (g) as follows (*Effective from passage*):
- (NEW) (g) On or before October 1, 2007, the Department of Public
- Health shall establish and implement a secure on-line license renewal
- 622 system for persons holding a license to practice medicine or surgery
- 623 under chapter 370, dentistry under chapter 379 or nursing under
- 624 chapter 378. The department shall allow any such person who renews
- his or her license using the on-line license renewal system to pay his or
- 626 her professional service fees on-line by means of a credit card or
- 627 electronic transfer of funds from a bank or credit union account and
- may charge such person a service fee not to exceed five dollars for any
- such on-line payment made by credit card or electronic funds transfer.
- Sec. 14. Section 38a-497 of the general statutes is repealed and the
- 631 following is substituted in lieu thereof (*Effective July 1, 2007*):
- Every individual health insurance policy providing coverage of the
- 633 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of
- 634 section 38a-469 delivered, issued for delivery, amended or renewed in
- this state on or after October 1, [1982] 2007, shall provide that coverage
- of a child shall terminate no earlier than the policy anniversary date on
- or after whichever of the following occurs first, the date on which the
- child marries, ceases to be a [dependent of the policyholder,] resident
- of the state or attains the age of [nineteen if the child is not a full-time
- student at an accredited institution, or attains the age of twenty-three if
- the child is a full-time student at an accredited institution] thirty.

Sec. 15. Section 38a-554 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

A group comprehensive health care plan shall contain the minimum standard benefits prescribed in section 38a-553 and shall also conform in substance to the requirements of this section.

- (a) The plan shall be one under which the individuals eligible to be covered include: (1) Each eligible employee; (2) the spouse of each eligible employee, who shall be considered a dependent for the purposes of this section; and (3) [dependent] unmarried children residing in the state, who are under [the age of nineteen or are full-time students under the age of twenty-three at an accredited institution of higher learning] thirty years of age.
- (b) The plan shall provide the option to continue coverage under each of the following circumstances until the individual is eligible for other group insurance, except as provided in subdivisions (3) and (4) of this subsection: (1) Notwithstanding any provision of this section, upon layoff, reduction of hours, leave of absence, or termination of employment, other than as a result of death of the employee or as a result of such employee's "gross misconduct" as that term is used in 29 USC 1163(2), continuation of coverage for such employee and such employee's covered dependents for the periods set forth for such event under federal extension requirements established by the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended from time to time, (COBRA), except that if such reduction of hours, leave of absence or termination of employment results from employee's eligibility to receive Social Security income, continuation of coverage for such employee and such employee's covered dependents until midnight of the day preceding such person's eligibility for benefits under Title XVIII of the Social Security Act; (2) upon the death of the employee, continuation of coverage for the covered dependents of such employee for the periods set forth for such event under federal extension requirements established by the Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272),

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as amended from time to time, (COBRA); (3) regardless of the employee's or dependent's eligibility for other group insurance, during an employee's absence due to illness or injury, continuation of coverage for such employee and such employee's covered dependents during continuance of such illness or injury or for up to twelve months from the beginning of such absence; (4) regardless of an individual's eligibility for other group insurance, upon termination of the group plan, coverage for covered individuals who were totally disabled on the date of termination shall be continued without premium payment during the continuance of such disability for a period of twelve calendar months following the calendar month in which the plan was terminated, provided claim is submitted for coverage within one year of the termination of the plan; (5) the coverage of any covered individual shall terminate: (A) As to a child, the plan shall provide the option for said child to continue coverage for the longer of the following periods: (i) At the end of the month following the month in which the child marries, ceases to [be dependent on the employee] reside in the state or attains the age of [nineteen, whichever occurs first, except that if the child is a full-time student at an accredited institution, the coverage may be continued while the child remains unmarried and a full-time student, but not beyond the month following the month in which the child attains the age of twenty-three] thirty. If on the date specified for termination of coverage on a [dependent] child, the child is unmarried and incapable of selfsustaining employment by reason of mental or physical handicap and chiefly dependent upon the employee for support and maintenance, the coverage on such child shall continue while the plan remains in force and the child remains in such condition, provided proof of such handicap is received by the carrier within thirty-one days of the date on which the child's coverage would have terminated in the absence of such incapacity. The carrier may require subsequent proof of the child's continued incapacity and dependency but not more often than once a year thereafter, or (ii) for the periods set forth for such child under federal extension requirements established by the Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended

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710 from time to time, (COBRA); (B) as to the employee's spouse, at the 711 end of the month following the month in which a divorce, court-712 ordered annulment or legal separation is obtained, whichever is 713 earlier, except that the plan shall provide the option for said spouse to 714 continue coverage for the periods set forth for such events under 715 federal extension requirements established by the Consolidated 716 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended 717 from time to time, (COBRA); and (C) as to the employee or dependent 718 who is sixty-five years of age or older, as of midnight of the day 719 preceding such person's eligibility for benefits under Title XVIII of the 720 federal Social Security Act; (6) as to any other event listed as a 721 "qualifying event" in 29 USC 1163, as amended from time to time, 722 continuation of coverage for such periods set forth for such event in 29 USC 1162, as amended from time to time, provided such plan may 723 724 require the individual whose coverage is to be continued to pay up to 725 the percentage of the applicable premium as specified for such event in 726 29 USC 1162, as amended from time to time. Any continuation of 727 coverage required by this section except subdivision (4) or (6) of this 728 subsection may be subject to the requirement, on the part of the 729 individual whose coverage is to be continued, that such individual 730 contribute that portion of the premium the individual would have 731 been required to contribute had the employee remained an active 732 covered employee, except that the individual may be required to pay 733 up to one hundred two per cent of the entire premium at the group 734 rate if coverage is continued in accordance with subdivision (1), (2) or 735 (5) of this subsection. The employer shall not be legally obligated by 736 sections 38a-505, 38a-546 and 38a-551 to 38a-559, inclusive, to pay such 737 premium if not paid timely by the employee.

- (c) The commissioner shall adopt regulations, in accordance with chapter 54, concerning coordination of benefits between the plan and other health insurance plans.
- 741 (d) The plan shall make available to Connecticut residents, in 742 addition to any other conversion privilege available, a conversion 743 privilege under which coverage shall be available immediately upon

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termination of coverage under the group plan. The terms and benefits offered under the conversion benefits shall be at least equal to the terms and benefits of an individual comprehensive health care plan.

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Sec. 16. (NEW) (Effective July 1, 2007) eHealth Connecticut shall be designated the lead health information exchange organization for the state of Connecticut for the period commencing July 1, 2007, and ending July 1, 2012. The Commissioner of Public Health shall contract with such organization to develop a state-wide health information technology plan, which includes development of standards, protocols and pilot programs for health information exchange.

Sec. 17. (Effective from passage) Not later than January 1, 2008, the Department of Social Services shall inventory and report, in accordance with the provisions of section 11-4a of the general statutes, on all disease management initiatives implemented as of the effective date of this section under the HUSKY Plan, Part A, the HUSKY Plan, Part B, the state-administered general assistance program and the state Medicaid plan to the joint standing committees of the General Assembly having cognizance of matters relating to public health and human services. Such report shall include a summary of each initiative, the total amount of money spent on each initiative, from inception, and the total number of persons served by each initiative.

Sec. 18. (Effective from passage) Not later than January 1, 2008, the Department of Public Health shall inventory and report, in accordance with section 11-4a of the general statutes, on all public and private sector disease management programs within the state as of the effective date of this section, except for disease management initiatives described in section 17 of this act, to the joint standing committee of the General Assembly having cognizance of matters relating to public health. Such inventory shall include (1) a summary of each program, (2) the amount of money spent on each program, (3) the number of persons being served in each program, and (4) recommendations about best practices for disease management programs and how to replicate such best practices state-wide.

777 Sec. 19. (NEW) (Effective from passage) (a) There is established a 778 health care panel composed of the following members: Two appointed 779 by the speaker of the House of Representatives, one of whom is a 780 health care provider; two appointed by the president pro tempore of 781 the Senate, one of whom represents managed care organizations; one 782 appointed by the majority leader of the House of Representatives who 783 represents health insurance companies; one appointed by the majority 784 leader of the Senate who represents businesses with fewer than fifty 785 employees; one appointed by the minority leader of the House of 786 Representatives who represents businesses with fifty or more 787 employees; one appointed by the minority leader of the Senate with 788 experience in community-based health care; the Commissioners of 789 Public Health and Social Services or their designees; and two persons 790 appointed by the Governor, one of whom represents hospitals and one 791 of whom advocates for health care quality or patient safety.

- (b) All appointments to the panel shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.
- (c) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the panel, from among the members of the panel. Such chairpersons shall schedule the first meeting of the task force, which shall be held not later than sixty days after the effective date of this section.
 - (d) The panel shall:
- (1) Examine and evaluate policy alternatives for providing health insurance coverage for individuals residing in this state who are uninsured or underinsured such as premium assistance programs, individual mandates for coverage, employer mandates for coverage and a state-wide single payer health care system.
- (2) Not later than January 1, 2009, report on its findings and recommendations with respect to such policy alternatives to the joint standing committee of the General Assembly having cognizance of

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- 809 matters relating to public health, social services and insurance, in
- accordance with the provisions of section 11-4a of the general statutes.
- 811 Such report shall include recommended strategies for increasing access
- 812 to health care for all of Connecticut's residents.
- (e) The panel may collect data on and promote wellness, nutrition,
- 814 disease prevention and exercise among Connecticut residents.
- Sec. 20. Section 38a-1041 of the general statutes is amended by
- 816 adding subsection (f) as follows (*Effective October 1, 2007*):
- 817 (NEW) (f) On or before October 1, 2008, the Office of the Healthcare
- 818 Advocate shall, within available appropriations, establish and
- 819 maintain a healthcare consumer information web site on the Internet
- for use by the public in obtaining healthcare information, including but
- 821 not limited to: (1) The availability of wellness programs in various
- 822 regions of Connecticut, such as disease prevention and health
- 823 promotion programs; (2) quality and experience data from hospitals
- 824 licensed in this state; and (3) a link to the consumer report card
- 825 developed and distributed by the Insurance Commissioner pursuant to
- 826 section 38a-478l.
- Sec. 21. (NEW) (Effective October 1, 2007) Any employer that
- 828 provides health insurance benefits to its employees for which any
- 829 portion of the premiums are deducted from the employees' pay shall
- offer such employees the opportunity to have such portion excluded
- 831 from their gross income for state or federal income tax purposes,
- 832 except as required under Section 125 of the Internal Revenue Code of
- 833 1986, or any subsequent corresponding internal revenue code of the
- United States, as from time to time amended.
- 835 Sec. 22. (NEW) (Effective from passage) The committee established
- 836 under section 51 of public act 06-195 shall meet at least once every
- 837 calendar quarter and report annually to the joint standing committees
- 838 of the General Assembly having cognizance of matters relating to
- 839 public health and education, in accordance with the provisions of
- 840 section 11-4a of the general statutes, on recommended statutory and

- regulatory changes to improve health care through access to schoolbased health clinics.
- Sec. 23. (NEW) (*Effective July 1, 2007*) Any school-based health clinic constructed on or after October 1, 2007, that is located in or attached to a school building shall be constructed with an entrance that is separate from the entrance to the school building.
- 847 Sec. 24. (Effective July 1, 2007) The sum of two million five hundred 848 thousand dollars is appropriated to the Department of Public Health, 849 from the General Fund, for the fiscal year ending June 30, 2008, for the 850 expansion and operation of school-based health clinics for priority 851 school districts pursuant to section 10-266p of the general statutes and 852 areas designated by the federal Health Resources and Services 853 Administration as health professional shortage areas, medically 854 underserved areas or areas with a medically underserved population.
- Sec. 25. (*Effective July 1, 2007*) The sum of five hundred thousand dollars is appropriated to the Department of Public Health, from the General Fund, for the fiscal year ending June 30, 2008, for grants to community-based health centers to provide transportation assistance to patients for medical appointments. Priority shall be given to federally-qualified health centers located in areas of the state with limited public transportation options.
- Sec. 26. (*Effective July 1, 2007*) The sum of two million dollars is appropriated to the Department of Public Health, from the General Fund, for the fiscal year ending June 30, 2008, for grants to community-based health centers for infrastructure improvements, including, but not limited to, health information technology.
- Sec. 27. Section 17b-261c of the general statutes is repealed. (*Effective July 1, 2007*)

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1 2007	17b-28e
	July 1, 2007	
Sec. 2	July 1, 2007	17b-261
Sec. 3	July 1, 2007	17b-297
Sec. 4	July 1, 2007	17b-297b
Sec. 5	July 1, 2007	New section
Sec. 6	July 1, 2007	17b-289
Sec. 7	July 1, 2007	17b-292
Sec. 8	July 1, 2007	17b-192
Sec. 9	July 1, 2007	17b-277(a)
Sec. 10	July 1, 2007	New section
Sec. 11	July 1, 2007	17b-282b
Sec. 12	July 1, 2007	New section
Sec. 13	from passage	19a-88
Sec. 14	July 1, 2007	38a-497
Sec. 15	July 1, 2007	38a-554
Sec. 16	July 1, 2007	New section
Sec. 17	from passage	New section
Sec. 18	from passage	New section
Sec. 19	from passage	New section
Sec. 20	October 1, 2007	38a-1041
Sec. 21	October 1, 2007	New section
Sec. 22	from passage	New section
Sec. 23	July 1, 2007	New section
Sec. 24	July 1, 2007	New section
Sec. 25	July 1, 2007	New section
Sec. 26	July 1, 2007	New section
Sec. 27	July 1, 2007	Repealer section

PH Joint Favorable Subst.

HS Joint Favorable

INS Joint Favorable

FIN Joint Favorable

APP Joint Favorable